2003-04 SESSION COMMITTEE HEARING RECORDS

Committee Name:

Senate Committee on Health, Children, Families, Aging and Long Term Care (SC-HCFALTC)

Sample:

Record of Comm. Proceedings ... RCP

- > 03hrAC-EdR_RCP_pt01a
- > 03hrAC-EdR_RCP_pt01b
- > 03hrAC-EdR_RCP_pt02

- > Appointments ... Appt
- > **
- > Clearinghouse Rules ... CRule
- > **
- Committee Hearings ... CH
- > **
- > Committee Reports ... CR
- > **
- Executive Sessions ... ES
- > **
- ► <u>Hearing Records</u> ... HR
- > 03hr_ab0619
- Miscellaneous ... Misc
- > **
- Record of Comm. Proceedings ... RCP
- > **

December 10, 2003

Senator Cathy Stepp Wisconsin State Capitol P.O. Box 7882, Room 7 South Madison, WI 53707-7882

Dear Senator Stepp:

On behalf of the school districts of Union Grove and Waterford, we would like to thank you for your co-sponsorship and support of Assembly Bill 619. This piece of legislation will provide for a smoother transition of special education services from the Racine County Children with Disabilities Education Board to the local school boards on June 30, 2006.

We feel strongly that Racine County should continue to have the authority and responsibility to levy a tax for post retirement health benefits and obligations related to un-funded prior service liabilities of former employees and that this tax should be paid by the area of Racine County participating in the program.

We truly appreciate your support for Assembly Bill 619.

Sincerely,

Keith Brandstetter

Waterford Union High School

Rick Morgan

Washington-Caldwell School

Union Grove Union High School

Giles Williams

Union Grove Joint 1

Drought School

Gwen O'Cull

Waterford Graded School

Petra Walker

North Cape School

Raymond School

Richard Wasson Kansasville School

Dave Alexander

Yorkville School

William McReynolds, County Executive C: Mark Janiuk, Racine County Corporate Counsel Douglas Stansil, Racine County Finance Director Ken Adams, Racine County Transition Coordinator

Halbur, Jennifer

From: Pleva, Brian

Sent: Wednesday, January 28, 2004 9:30

To: Halbur, Jennifer Subject: FW: AB-619 brief

ien's committee but he want Jen, this is the bill I told you about. It passed the Assembly last night 96-1. be able to exec it

The bill is a non-controversial technical change as you will see in the summary below. Every legislator representing any portion of Racine County is a sponsor (plus, I can make sure that no one else from Racine - Ox County comes to testify:) It would just be a joint testimony from Stepp and Ladwig.

----Original Message----

From: Pleva, Brian

Sent: Tuesday, January 27, 2004 10:26 AM

To: Manley, Scott Subject: AB-619 brief

Assembly Bill 619 (Ladwig/Stepp)

Sen. Stepp would like this bill to be referred to the Health Committee.

- Racine County has decided to dissolve its Children with Disabilities Education Board because they feel that school districts should be the governmental unit responsible for special education. Racine County is continuing a trend in this regard, in that, there will only be three remaining CDEBs in Wisconsin when Racine County finalizes the dissolution in 2006.
- The Racine Unified School District, which includes the area of Racine County East of I-94. currently provides for the special ed. needs of its students-the Racine County CDEB currently provides for the special ed. needs of students in school districts West of I-94.
- Rep. Ladwig and I introduced AB 619 so that the part of Racine County West of I-94 continues to be responsible for paying the costs associated with the postretirement health benefits and the unfunded prior service liability for employees of the dissolved CDEB. These employees will, of course, become employees of those school districts West of I-94 once the dissolution is complete. These school districts will be responsible for all other costs for these employees, as well as school instruction.
- Both Racine County and all school districts affected support this technical change, and along with Representative Ladwig and I, Senators Lazich and Wirch, and Representatives Gunderson, Kerkman, Turner and Lehman are sponsors.
- AB 619 is on today's Assembly calendar and is expected to pass easily.
- Allison Coakley from Senator Lasee's office informed my office that once the Assembly passes AB 619, it will most likely be referred to the Senate Committee on Homeland Security, Veterans and Military Affairs, and Government Reform, since it usually deals with local government issues.

Kurtz, Hunter

From:

MAGAR DAVID MAGAR DAVID [DMAGAR@ug.k12.wi.us]

Sent:

Wednesday, January 28, 2004 12:42 PM

To:

Sen.Roessler@legis.state.wi.us

Subject:

Ab 619

Honorable Senator Carol Roessler:

Please accept this correspondence as one requesting your support for AB 619, which has now made its way to the Senate after receiving overwhelming support in the Assembly.

The provisions of the bill are necessary in order to provide for the effective transition of service for special education from Racine County to the local school districts. Without the fiscal considerations addressed in the bill, there is no way the local districts could possibly absorb the cost of the post-retirement benefits of former County employees.

Looking forward to your understanding and appreciation for our situation, and your support of AB 619 as it makes its way through the Senate.

Respectfully,

David M. Magar Superintendent Union Grove Union High School

Kurtz, Hunter

From: Sent: Rick Morgan [rmorgan@washcald.com] Wednesday, January 28, 2004 2:12 PM

To: Subject: Sen.Roessler@legis.state.wi.us AB 619 in Senate Sub Committee

Honorable Senator Carol Roessler;

I am pleased to have been informed of the over-whelming support given to AB 619 in the Assembly.

As you and your Senate colleges begin to research the importance of AB 619, please feel free to contact me and/or any of the superintendents in Western Racine County. We would be glad to answer any questions you might have in regard to the impact AB 619 will have as a component of the dissolution of the Racine County Special Education School and services from the county to the local school districts.

Thank you for your time and concern on this matter!

Sincerely,

Rick Morgan, District Administrator Washington-Caldwell School District

Kurtz, Hunter

From: Sent:

Weina, Rick J. [RJWeina@scj.com] Wednesday, January 28, 2004 1:56 PM

To:

'Sen.Roessler@legis.state.wi.us'

Subject:

AB 619 in Senate Committee on Health, Children, Families, Aging a nd Long Term Care

Honorable Senator Carol Roessler:

Please accept this correspondence as one requesting your support for AB 619, which has now made its way to the Senate after receiving overwhelming support in the Assembly.

The provisions of the bill are necessary in order to provide for the effective transition of service for special education from Racine County to the local school districts. Without the fiscal considerations addressed in the bill, there is no way the local districts could possibly absorb the cost of the post-retirement benefits of former County employees.

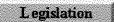
Looking forward to your understanding and appreciation for our situation, and your support of AB 619 as it makes its way through the Senate.

Respectfully,

Rick Weina School Board Member Union Grove Union High School

History of Assembly Bill 619

Search for another history



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Back to Legislature Home Page

Vote Record Committee on Health, Children, Families, Aging and Long Term Care

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Committee Member		<u>Aye</u>	<u>No</u>	<u>Absent</u>	Not Voting	
Senator Carol Roessler,	Chair	N				
Senator Ted Kanavas		<u>N</u>				
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Senator Robert Welch						
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Senator Judith Robson						
Senator Charles Chvala		12				
Senator Robert Jauch		7				
Senator Tim Carpenter		M				
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RAYMOND SCHOOL DISTRICT #14

2659 S. 76th Street • Franksville, WI 53126-9540 www.edline.net/pages/raymond_school



Phone (262) 835-2929

Fax (262) 835-2087

2003 Assembly Bill 619

Individual Providing Testimony: Gary Damaschke, District Administrator,

Raymond School District #14 2659 - 76th Street Franksville, WI 53126 262.835.2929 Racine County

DATE: February 12, 2004

TO: Senator Roessler, Chairperson and Members of the Senate Committee on Health, Children, Families, Aging and Long Term Care,

Good Morning and thank you for the opportunity to allow me to provide testimony in support of 2003 Assembly Bill 619.

Representing the school board of Raymond #14 and the school districts in the greater Union Grove area; Union Grove Union High School, Union Grove Elementary School, Yorkville School and Kansasville School (Dover #1), I strongly recommend taking affirmative action in passing AB 619.

As you know, the Racine County School Office has provided educational services for students with disabilities in western Racine County for a number of decades. As such, contractual agreements and understandings have been negotiated with bargaining units representing both teachers and support staff. Two financial obligations resulting from these agreements and understandings include post-retirement health benefits of former employees of the Racine County Children with Disabilities Education Board and obligations related to unfunded prior service liability for former employees of the Racine County Children with Disabilities Education Board.

Because the County, and not the five aforementioned school districts, was responsible for any and all obligations incurred, we strongly feel that the County should continue to have the authority and responsibility to levy a tax against the area of the county participating in the program, prior to the dissolution, to pay for any financial obligations related to the post health retirement benefits and the unfunded liability.

Thank you for your time this morning and thank you for your attention to this matter.

Raymond School District #14

Resolution in Support of AB619 December 8, 2003

WHEREAS the statutes provide some guidance in regard to dissolving a Children with Disabilities Education Board District, many dissolution issues remain for the schools associated with the Racine County Children with Disabilities Education Board.

WHEREAS under current law, when a program is dissolved by a county board, the assets and liabilities are distributed to the school districts that participated in the program, in this instance, the issue of liabilities is more complex due to the post retirement health liability and other similar liabilities such as post retirement life insurance liability and prior service liability and the fact that liability has never been booked on the County School books, there is a dispute as to whether this liability is a proper liability to be addressed as part of the dissolution process.

WHEREAS Assembly Bill 619 provides that if the special education program operated by the Racine County Children with Disabilities Education Board (RCCDEB) is dissolved, all assets and liabilities will be distributed as provided under current law, except that Racine County will be responsible for paying the costs associated with the post retirement health benefits of, and the unfunded prior service liability incurred under the Wisconsin Retirement System for, former employees of the RCCDEB.

WHEREAS Assembly Bill 619 directs the Racine County Board to levy a tax against the area of Racine County that participated in the program before its dissolution in order to pay those costs,

THEREFORE, be it resolved that the Raymond School District #14 School Board supports Assembly Bill 619 as amended in Section 115.817 (9m) and as attached and read into the minutes on December 8, 2003 at a regular school board meeting.

Motion by:

Seconded by:	
Aye Votes Rulta	Nay Votes
Shely m Gurhajec	
Joseph Johnson	
Jums In Source	

Good Morning:

My name is Keith Brandstetter and I am the superintendent of Waterford Union High School. The Waterford Union High School District fully supports Assembly Bill 619.

Allowing the Racine County Children with Disabilities Education Board (RCCDEB) to continue to tax for postretirement health benefits and for costs incurred for the unfunded prior service liability for staff of the RCCDED after dissolution takes place in June of 2006 is the correct thing to do. The Racine County Children with Disabilities Education Board (RCCDEB) negotiated these contracts with their employees, therefore RCCHD needs to complete their obligation to their employees.

Passing this obligation to the school districts after dissolution occurs is not the prudent thing to do. School districts did not negotiated with these employees and therefore should not be responsible for undertaking this issue. This financial obligation should stay with the Racine County Children with Disabilities Education Board and they should continue to have the responsibility to tax for this debt.

School districts already face tight budget restraints and having them undertake this additional burden will cause even more budget problems. School district are under revenue limits and because this obligation will vary from year to year it certainly will have a negative effect on an already insufficient school budget.

Assembly Bill 619 is good legislation that will not hurt financially school districts.



COUNTY EXECUTIVE WILLIAM L. McREYNOLDS

PHONE: 262-636-3273 FAX: 262-636-3549 E-Mail: williamm@racineco.com

February 12, 2004

MEMO TO: Senator Carol Roessler

Chairman of the Senate Committee on Health, Children, Families,

Aging and Long Term Care

FROM:

Racine County Executive William McReynolds

RE:

Assembly Bill 619

HISTORY

Racine County has a Children With Disabilities Education Board which provides special education services to students who live in the western part of Racine County. In Racine County, we refer to it as the County School Office. According to the Legislative Fiscal Bureau, in 1962/63 there were 45 Children With Disabilities Education Boards operating within the State of Wisconsin and providing special education. At that time they were called County Handicapped Childrens Education Boards. By 1983, there were only 12 counties still operating handicapped education programs. Today, only four counties have such programs.

The Racine County Board during this past summer decided that Racine County would dissolve the Children With Disabilities Education Board as of June of 2006. Thus, Racine County is following a trend among counties in the state to cease providing special education services to children and, instead, transferring these services back to the local school districts. Local school districts have numerous options in regard to means to provide these services. Most school districts establish and operate their own special education programs. School districts can also participate in cooperative programs with other school districts, can purchase services through a CESA or can provide special education services through tuition agreements with other districts.

One of the reasons that in 2006 there will only be three Children With Disabilities Boards left in the state is because of the trend that has been mandated by changes in federal and state statutory regulations which require greater integration of special education students with the regular school population. For this reason, separate isolated programs are no longer fully consistent with current law. Since these special education programs and students must be integrated into the normal regular school programs, problems are created when these services are provided by an outside agency such as the County School office.

Racine County started what it calls its county school operations in the 1950's. In 1954/55, there were only three classes for what was then classified as "mentally retarded" students. Since then, there have been many changes. In 2003, the number of people employed by the County School Office was over 181 full-time equivalent positions. This included 94 teachers. The number of students served in the 2002/03 school year was 1,386 students. What began as a small program in the 1950's has become a major department by 2003. We are all aware of the fiscal constraints that state and local governments are operating under. In reaction to those fiscal constraints Racine County along with other political entities, decided to look at its core functions and to focus on what it is required to do. Providing special education services is not a core function of county government. It is optional. The local school districts are ultimately responsible for the education of these special education students as well as the regular education students. As we have previously indicated, over time, most counties in the state have recognized that providing special education services is not a core function and no longer provide these services.

Racine County operates its Children With Disabilities Education Board District only in the western part of the county. The eastern part of the county is served by Racine Unified School District. The Racine Unified School District which has always provided for its special education students. For that reason, the tax to support the County Schools operation, the Racine County Children With Disabilities Education Board, has always been applied only to the western part of the county. There has never been a tax levied east of I-94 in Racine County to support the Racine County School Office. The tax that has been levied on the western part of the county has paid for all costs of the districts including the compensation for teachers and aides including health insurance benefits and Wisconsin Retirement benefits.

THE PROBLEM

The decision by the Racine County Board of Supervisors to dissolve the County School Office brought about opposition, concerns and questions. The Racine County School Office has been serving the western part of the county since the 1950's and many people were not eager for a change. But change does happen. Despite some initial opposition and the anticipated bumps in the road that have occurred in any transition, the parents, students, school administrators, teachers, and everyone

concerned with this transition have been working together cooperatively to make the transition work. There are two big issues that could disrupt that cooperation. These issues are the future costs for the prior service liability and the post-retirement health liability for teachers and aides who are or have been employed by the Racine County School Office. As I indicated before, only the western part of Racine County has been taxed for costs associated with the County School Office in the past. Once the County School district is dissolved in June of 2006, there is no statutory authority for the county to levy a tax on just the western part of Racine County to cover the liability which will continue for numerous years arising out of a prior service liability and post-retirement health liability. The local school districts are understandably reluctant to take on this liability. It was not a liability that they negotiated or desired. It is a liability that is hard to quantify and, thus, is hard to predict. The local school districts are reluctant to take on that liability and then have to deal with various spending and taxing caps. It would be extremely unfair for Racine County to include these liabilities as part of its general tax levy because that would force taxpayers in the eastern part of the county to pay for a program that never served them. It is for that reason that we are before you today. We have discussed our problem with our local state representatives. They have responded with this bill. What this bill will do and what we are asking for is to allow Racine County to continue to levy a tax in the western part of the county to cover the post-retirement health liability and the prior service liability arising out of the County School operation as they become due. These liabilities may continue in the future since the commitment to pay for post-retirement health continues for as long as the retirees are alive. For that reason, there could be a tax for many years in the future although that tax would not be great. At the present time, the amount of the post-retirement health liability that is included in the county's current tax for the 2004 budget in the western part of the county is \$268,848.

The solution that is contained in this bill and the solution that is before you today is supported by all parties that are affected by the dissolution of the Racine County School Office. As County Executive for Racine County, I support this legislation. Racine County supports this legislation. The local school districts support this legislation. You will hear or have heard from many of the administrators and representatives of the local school boards today. They unanimously feel that this is a proper and fair solution to the problem that is identified. I urge you to support this. Under this legislation, the taxpayers of western Racine County will not pay any more or less in property taxes. This will cause no harm. It is not a new tax. The Racine County Board has been levying a tax which includes these components for years. This bill will merely allow Racine County to continue to do this. It will allow the various parties in the western part of the county to continue to work together in a cooperative fashion to transition from a system where the county provided special education services to a system where the local school districts in the western part of the county do that.



WISCONSIN LEGISLATURE

P. O. Box 7882 Madison, WI 53707-7882

Testimony on Assembly Bill 619 (AB 619)
Representative Bonnie Ladwig and Senator Cathy Stepp
Relating to the dissolution of the Racine County Children with Disabilities
Education Board
Senate Committee on Health, Children, Families, Aging and Long Term Care
February 12, 2004

Dear Chairperson Roessler and members of the Senate Committee on Health, Children, Families, Aging and Long Term Care:

Thank you for holding a hearing on Assembly Bill 619, which relates to the coverage of certain liabilities upon the dissolution of the Racine County Children with Disabilities Education Board.

Under Section 115.817 of Wisconsin State Statutes, counties are authorized to operate Children with Disabilities Education Boards (CDEB) to provide special education programs to children with exceptional education needs. In 1962-1963 there were 45 such county operated education boards within Wisconsin. Currently there are only four such programs throughout the state because most counties have transferred the responsibility of providing special education services to the local school districts. Racine County continued this trend by passing a resolution this spring to also dissolve their CDEB effective June 30, 2006.

Under current law when a county board dissolves a program, the assets and liabilities are distributed to the school districts that participated in the program. Assembly Bill 619 provides that if the special education program operated by the Racine County CDEB is dissolved, all assets and liabilities will be distributed as provided under current law. Except that Racine County will continue to be responsible for paying the costs associated with the postretirement health benefits and the unfunded prior service liability for former employees of the Racine County CDEB.

Racine County feels that the school districts within their CDEB should not be responsible for funding these benefits when these individuals were never their employees. This legislation would address this issue by giving the county that responsibility. The tax for these costs would continue to be levied against the area of Racine County that participated in the program before its dissolution. This includes all of Racine County except those areas in the Racine Unified School District (everything east of 194). Racine Unified School District provided its own special education services to its students and was not part of the county CDEB.

AB 619 has the support of the local school districts involved and of the entire Racine County state legislative delegation. Additionally, it passed the State Assembly on a nearly unanimous vote. Please give this legislation your utmost consideration.

Thank you.

Good Morning:

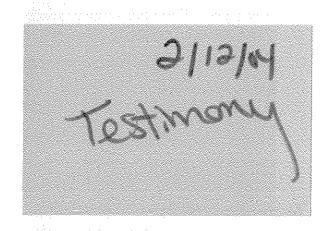
My name is Keith Brandstetter and I am the superintendent of Waterford Union High School. The Waterford Union High School District fully supports Assembly Bill 619.

Allowing the Racine County Children with Disabilities Education Board (RCCDEB) to continue to tax for postretirement health benefits and for costs incurred for the unfunded prior service liability for staff of the RCCDED after dissolution takes place in June of 2006 is the correct thing to do. The Racine County Children with Disabilities Education Board (RCCDEB) negotiated these contracts with their employees, therefore RCCHD needs to complete their obligation to their employees.

Passing this obligation to the school districts after dissolution occurs is not the prudent thing to do. School districts did not negotiated with these employees and therefore should not be responsible for undertaking this issue. This financial obligation should stay with the Racine County Children with Disabilities Education Board and they should continue to have the responsibility to tax for this debt.

School districts already face tight budget restraints and having them undertake this additional burden will cause even more budget problems. School district are under revenue limits and because this obligation will vary from year to year it certainly will have a negative effect on an already insufficient school budget.

Assembly Bill 619 is good legislation that will not hurt financially school districts.



ABG19 - Brian Pleva + Liz Buelter - Passed Assembly 96-1 - County Exec - wout Lag. can't Kaeptan wost of Ha 94. West and County residents Corrently pay tax. W/out bin, both west + East of 94 would need to pay for.

BILL	By Representatives Ladwig, Kerkman, Gunderson, J. Lehman and Turner.
SPONSORS	Cosponsored by Senators Stepp, Lazich and Wirch.
BILL HISTORY	Assembly Bill 619 was introduced on October 27, 2003 and referred to the Assembly Committee on Urban and Local Affairs. A public hearing was held on November 18 2003. Executive action was taken December 16, 2003. The Committee passed AB 619 on a vote of 6-0.
	On January 27, 2004, the state Assembly passed AB 619 on a vote of 96-1 and referred it to the Senate Committee on Health, Children, Families, Aging and Long Term Care A public hearing and executive action were held on February 12, 2004. The committee recommended concurrence of Assembly Bill 619 on a vote of 9-0.
LRB ANALYSIS	Current Law: Current law authorizes a county board to establish a special education program for school districts in the county. If a county board does so, the program is run by the county children with disabilities education board. Under curren law, when a program is dissolved by a county board, the assets and liabilities are distributed to the school districts that participated in the program
	Proposed Changes: This bill provides that, if the special education program operated by the Racine County Children with Disabilities Education Board (RCCDEB) is dissolved, all assets and liabilities will be distributed as provided under current law, except that Racine County will continue to be responsible for paying the costs associated with the postretirement health benefits of, and the unfunded prior service liability incurred under the Wisconsin Retirement System for, former employees of the RCCDEB. The tax for these costs will continue to be levied against the area of Racine County that participated in the program before its dissolution.
FISCAL EFFECT	The bill has no local fiscal effect as the costs and taxing authority would remain, by would be shifted from one local government entity (school districts) to another (county).
SUPPORT	The following people testified in favor of this bill: (1) William McReynolds, County Executive of Racine; (2) Gary Damaschke, Raymond School, Franksville; (3) Keith Brandutetter, Waterford Union High School, Waterford; (4) Brian Pleva, Senator Cathy Stepp; and (5) Liz Boelter, Representative Bonnie Ladwig. The following people registered in favor of this bill: (1) Bob Burke, WEAC; (2) Rick Morgan, Washington Caldwell School, Waterford; and (3) Representative Samantha Kerkman, 66th Assembly District.
OPPOSITION	No one testified or registered in opposition to this bill.
NEUTRAL	The following organization registered as neutral with the State Ethics Board bu did not testify or register at the public hearing: (1) WI Association of Schoo Boards.
CONTACT	Jennifer Halbur, Office of Sen. Carol Roessler
DATE	February 24, 2004

No bate

Assembly Bill 619

RELATING TO DISSOLTION OF THE RACINE COUNTY CHILDREN WITH DISABILITIES EDUCATION BOARD.

- Passed the Assembly Committee on Urban and Local Affairs 6-0.
- January 27th AB 619 passed the Assembly 96-1(Albers). Rep. McCormick did not vote on this bill.
- Senator Stepp with testify.
- This bill provides that, if the special education program operated by the Racine County Children with Disabilities Education Board (RCCDEB) is dissolved, all assets and liabilities will be distributed as provided under current law, except that Racine County will continue to be responsible for paying the costs associated with the postretirement health benefits of, and the unfunded prior service liability incurred under the Wisconsin Retirement System for, former employees of the RCCDEB.
- **DPI Fiscal note** indicates that were would be no local government costs. "This bill has no local fiscal effect as the costs and taxing authority would remain, but would be shifted from one local governmental entity (school districts) to another (county).

